PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORM

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The President's Advisory Panel on Federal Tax Reform 1440 New York Ave. N.W. Suite 2100 Washington, D.C. 20220 03/10/05

Hon. Senator Connie Mack

Chairman

Sir:

In response to your request for input to this Panel regarding considerations for a new and improved Tax Code Replacing the existing personal and corporate income Tax. I wish to submit the following as an individual, Concerned Tax payer.

Respectfully

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COVER

Existing Federal Income Tax Deficiencies

HEADACHES AND COMPLEXITIES:

- 1. It is unreasonable and Indefensible for a tax code to be so complex and wordy as to require an organization as large and as expensive as the IRS to explain it and administer it.
- 2. Please advise the number of employees of the IRS and state their yearly salaries. Please advise the Dollar value of the Government owned physical and real estate holdings of the IRS and state the cost per year to operate these facilities. This organization is so confused and unproductive as to become a burden we can not tolerate.
- 3. When the Tax laws are so complex as to create a new Industry like H&R Block and Tax Lawyers to help ordinary Citizens to fill out their Yearly Tax report, That IS TOO COMPLEX.
- 4.Compare this with the Beautiful simplicity of a One percent National Sales Tax which produces Over Three Trillion Dollars of Federal Revenue per Year.

 No IRS, No Tax forms, No Tax Lawyers, No H&R Block No exceptions, No Loopholes. Just One highschool Girl with and Old PC to calculate One percent of Gross Sales to collect the taxes which the merchants and Vendors Would gladly send in.

PAGE ONE

ASPECS OF THE PRESENT SYSTEM THAT ARE UNFAIR:

- 1. It is unfair because it is not ratified nor endorsed by the voting American Public. It is basically Taxation without representation. It was born under suspicious circumstances in 1913 and remains challenged by True Law Scholars today.
- 2. It's Advocates of that period assured the fearful public that the Tax rate would never be more than one and one half percent. We are now at thirty percent.
- 3. If a Referendum were allowed today of all Tax Payer's To choose between Abolishing the IRS and the present Tax Code and instead installing a National Sales Tax The Sales Tax would win Overwhelmingly.

 The present system is Brutally imposed on an unwilling public.
- 4. The Tax system is Unfair to the Brilliant and Bold person who is successful in business by penalizing him with higher an higher taxes thus ruining his incentive to grow .
- 4. It is unfair to the Persons who want to Save and Invest By taxing their interest
- 5 It is unfair to the retired person living on Social Security by taxing One Half of the meager pittance which he relies on.
- 6 It is unfair because it is not equally implemented and some wealthy Senators pay less than some hard working coal miners.
- 7. Compare this with the Equal and Fair National Sales Tax administered across the board with out exceptions. Everybody gets to keep 100% of his paycheck. You can save it and earn interest without penalty. But when you spend it—You pay. Every body pays.

PAGE TWO

DISTORTS PERSONAL AND BUSINESS DECISIONS:

- 1. The Federal Government ill advisedly borrows money
 For deficit spending from the Federal Reserve with
 interest being charged on a sliding scale set by the Federal
 Reserve. The Federal Reserve is not a US Government
 agency but a group of foreign money lenders.
 The money is not backed by Gold or physical worth but
 Paper Money. Just crank up the presses.
 We could do that—without interest- We have printing
 presses. What do we receive?? A piece of paper.
- 2. The collateral for this loan is the income tax system placed upon the backs of this generation and all future generations. Without their consent or knowledge.
- 3. The Collection agency for the return of this loan is the IRS who has power beyond belief to brutally collect, seize hold, punish, imprison without restraint.
- 4. The above perception is widely held by Tax Payers in general and Business and Manufacturers in particular.
- 5.This perception causes understandable efforts by taxpayers to thwart the system. To close a business and layoff employees rather than grow and be taxed into an unprofitable venture.
- 6.To place money overseas to avoid tax.
- 7.Both the Federal Reserve and the IRS must be dissolved.
- 8. The US Government must avoid deficit spending.
- 9. A Broad, even, Fair National Sales Tax would eliminate the Boogey Man and make for wiser decisions by Taxpayers.

PAGE THREE

GOALS: "TO MAKE THE USA THE RICHEST MOST POWERFUL AND PROSPEROUS NATION IN WORLD HISTORY WITH THE LOWEST TAX BURDEN AND THE HAPPIEST CITIZENS WHOSE GOVERNMENT IS THEIR DEVOTED SERVANT AND PROTECTOR"

- 1. To Reduce the size of Government to a reasonable level and to end Deficit Spending by reducing the amount of money at it's disposal. This Board has an opportunity to do that afforded by our Great President George W. Bush. Do not let this privilege escape you.
- 2.To remove the single most obstruction to American prosperity, financial security and greatness, namely The Federal Income Tax System.

 Do Not think of Overhaul or minor change. The seeds Of the cancer would remain and ensnare again.

 Think abolish, destroy and then Replace.
- 3. Calculate the real needs for money A Smaller and more efficient Government would require while satisfying all the demands of a Super Strong Military, A defensive missile shield, A National security second to none, and doing all the Founders of our Constitution intended the duty of Government to be but no more.
- 4 Having determined the Amount of money required then set the National Sales Tax rate.
- 5. When Government complains and wants more we reply: Cut Spending, Get out of the UN, Get out of NATO, Improve the Balance of trade to our Favor. Make the US independent of all energy sources, Scrap the KATO nonsense and the Dangerous Law of the Sea.

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